B.C.D. 03-68

SEP 1 0 2003

EMPLOYER STATUS DETERMINATION
Mississippi & Tennessee RailNet, Inc. (MTRI)

This is a determination of the Railroad Retirement Board concerning the continuing status of Mississippi & Tennessee RailNet, Inc. (MTRI) (B.A. No. 5570) as an employer under the Railroad Retirement Act (45 U.S.C. §231 et seq.) (RRA) and the Railroad Unemployment Insurance Act (45 U.S.C. §351 et seq.) (RUIA). MTRI has been an employer under the RRA and RUIA, with service creditable from June 23, 1998.

Information regarding MTRI was furnished by Mr. William E. Glavin, Executive Vice President of North American RailNet. Information provided by Mr. Glavin shows that MTRI owned and operated approximately 87.7 miles of railroad extending between milepost GG 281.0 at Houston, in Chickasaw, Pontotoc, Union and Tippah Counties, Mississippi, and milepost GG 368.7 at Middleton in Hardeman County, Tennessee. According to Mr. Glavin, MTRI ceased operations on May 30, 2003. Mr. Glavin stated that the assets of MTRI, including the rail line, were sold to Mississippi Tennessee Holdings, L.L.C. on May 30, 2003. Authority for this transaction was obtained in Surface Transportation Board (STB) Finance Docket No. 34355, decided June 5, 2003. Employees were last compensated on June 30, 2003.

Section 202.11 of the Board's regulations provides that:

> The employer status of any company or person shall terminate whenever such company or person loses any of the characteristics essential to the existence of an employer status. (20 CFR 202.11.)

Mississippi & Tennessee RailNet, Inc. (MTRI)

The record in this case indicates that MTRI lost the characteristics essential to the existence of its employer status and ceased being a covered rail carrier employer effective June 30, 2003, the date on which MTRI last compensated its employees.

Michael S. Schwartz

V. M. Speakman, Jr.

Jerome F. Kever